

## **CHAPTER 80-1-14**

### **AUDITS**

80-1-14-.01  
80-1-14-.02

Independent Audits. Amended  
The Internal Auditor. Amended

80-1-14-.03  
Repealed.

#### **80-1-14-.01 Independent Audits.**

(1) Every bank shall have an audit of its books and records performed at least annually by independent public accountants in accordance with generally accepted auditing standards. The audit must be of sufficient scope to enable the auditor to render an opinion on the financial statements of the bank or consolidated holding company. Such audit shall include a review of the bank's internal controls and such other tests and reviews of bank records as deemed appropriate by the independent auditor, including verifications of the bank's loan and deposit accounts, review of fiduciary activities (pursuant to agreed-upon procedures) accounts held in a fiduciary capacity, and adequate testing and review of the bank's information technology activities. The extent of audit work should be clearly defined in engagement letters. Such letters should discuss the scope of the audit, the objectives, resource requirements, audit timeframe, and resulting reports. Independent Public Accountants must make their audit work papers, policies, and procedures available to Department examiners for review upon request.

(2) Reports of such audits shall be filed with the Department within forty-five (45) days following receipt by the financial institution. The report should be accompanied by the Letter to Management, if applicable, detailing any reportable conditions discovered during the audit engagement.

Authority Ga. L. 1974, pp. 733, 860.

#### **80-1-14-.02 The Internal Auditor. Amended.**

(1) The Board of Directors of every bank shall elect an internal auditor.

(2) The internal auditor shall:

(a) Report a summary of audit activities to the Board of Directors at least annually;

(b) Implement the bank's internal audit program; and

(c) Monitor the implementation of corrective action with respect to audit exceptions, including but not limited to internal control exceptions, discovered by the internal audit program or reported by the independent auditor.

Authority Ga. L. 1974, pp. 733, 860.